



King County

VETERANS AND HUMAN SERVICES LEVY 2008 STRATEGY AREA ANNUAL REPORTS

Activity 2.3 Landlord Risk Reduction Fund

OBJECTIVE

The Levy's investment in Strategy 2 focuses on ending long-term homelessness through a variety of interventions including identification, outreach, prevention, housing, supportive services and education. This particular activity is designed to encourage landlords to rent to formerly homeless individuals and families through a **Landlord Risk Reduction Fund**, which will assist landlords with the extra costs that they may encounter from renting to tenants who are unaccustomed to permanent housing. This activity is part of a broader **Landlord Liaison Project**, which assures landlords that service providers are available to provide support services for these new renters.

POPULATION FOCUS

This initiative will serve homeless veterans and their families and others in need, including single adults, homeless young adults and families with children, who are encountering barriers to accessing permanent housing. Up to 20 percent of those served will be considered long-term or chronically homeless.

PROGRAM DESCRIPTION

The Landlord Risk Reduction Fund will be invested and maintained by King County. YWCA of Seattle-King County-Snohomish County was selected through a competitive Request for Qualifications (RFQ) process to work with King County to administer the fund and operate the Landlord Liaison Project. Since Levy funding for the Risk Reduction fund only covers the startup costs needed to establish the fund, other funds have been leveraged to cover administration and coordination efforts with landlords and agencies serving the target populations. The YWCA has demonstrated experience and working relationships with a wide variety of non-profit and private landlords, agencies serving veterans, and other service providers countywide. The YWCA has significant experience administering rental assistance and accounting for public funds. The YWCA also has a strong track record working collaboratively in the community to help those who have been homeless find permanent housing.

The objectives for this strategy will be met through two projects:

Landlord Liaison Project. The primary strategy of the Landlord Liaison Project (LLP) is to reduce barriers to, and provide supports for homeless persons entering permanent housing and then help them maintain housing and increase their stability over time. This is accomplished through landlord and service provider partnerships, access to a toolkit of resources for tenants, and intensive outreach to identify and engage private market and non-profit property owners. The Landlord Liaison Project is a centralized model with key components needed to effectively address the challenges that homeless individuals and families face in accessing and retaining permanent housing.

King County is cooperatively funding and implementing this model with the City of Seattle and United Way of King County. The landlord liaison model is based on research of national best practices and local experience, and includes a suite of tools including:

- Move-in assistance
- Time-limited rental assistance
- Eviction prevention funds

- Credit/ background reports
- Landlord Risk Reduction Fund
- Tenant and landlord education and training
- Landlord outreach
- Housing search assistance.

This complete toolkit is necessary to create incentives for landlords to reduce the screening criteria that result in barriers to housing. The project also provides added support to participants through eviction prevention funds and specialized agreements with service providers to help households remain in their housing if a crisis arises. The project team has negotiated agreements with several service providers representing a variety of subpopulations served by the landlord liaison project, including young adults, families, individuals, chronically homeless people, and veterans. The YWCA has written extensive policies and procedures for the LLP, created forms for landlords and resident applicants, and led numerous training and outreach sessions to share information about this new project. Staff members at the YWCA have registered several landlords and non-profit agencies, and are currently working to bring more into the program.

Landlord Risk Reduction Fund Administration. The Landlord Risk Reduction Fund is a key component of the Landlord Liaison Project and will be the primary incentive to encourage landlords to rent to clients with poor credit and rental histories. The fund will provide added assurance to landlords by offering them the option to be reimbursed for excessive damages to a unit or limited legal costs beyond the amounts covered by a security deposit. (For example, the maximum amount of a claim is \$5,000 to repair a unit that has undergone significant damages and is currently uninhabitable.)

King County will hold management and oversight responsibilities for the fund and the LLP staff will oversee the process of approving and submitting claims to King County for damages. Examples of typical costs may include the following:

- Carpet: \$800 - \$1,400 (1- to 3-bedroom unit)
- Vinyl floor: \$200
- Wall damage: \$200
- Cleaning: \$110 - \$150
- Garbage hauling: \$150
- Legal costs: \$350

Claims made to the fund will be initiated by the LLP staff through a process that includes the following steps:

1. A written and signed request from the landlord to the LLP for documented damages made by the tenant to the unit
2. A signed inspection and written verification from the LLP staff confirming damages and a list of costs for repairs (staff will inspect the unit for damages and compare the move-in and move-out "walk-through" checklist to confirm that damages were not present prior to the tenant moving into the unit)
3. Approval of the claim by King County based on set payment standards for typical damages
4. Payment made by King County to the landlord for documented costs.

Please note that a scale of typical damage costs and payment limits will be developed by King County and payments will be made within established ranges based on market costs for each item. There will also be a set maximum limit for claims to the fund. Guidelines are clearly established in the contract between King County and the YWCA.

PROGRESS DURING 2008

The YWCA was selected to administer the Landlord Liaison Project and has now begun enrolling landlords and potential clients for this program. The LLP works with non-profit organizations to provide case management services to tenants in this project. The Landlord Risk Reduction fund exists to provide financial backup to landlords, in order to encourage them to house tenants with more risk factors. These funds will remain with King County until they are needed to meet specific landlord needs.

Agency	Veterans Funds Awarded	Human Services Funds	Total Levy Funds Awarded
This fund will be administered by King County HCD. It has not yet been utilized. This is one-time funding allocated by the SIP in 2006.	\$500,000	\$500,000	\$1,000,000
Total	\$500,000	\$500,000	\$1,000,000

The LLP started on May 1, 2008, and the Risk Reduction Fund is available for use as needed. The Risk Reduction Fund will be available to landlords countywide, and the LLP has already enrolled landlords and agencies from all the regions of King County.

SERVICES PROVIDED

The Risk Reduction Fund has not yet been utilized.

FOR MORE INFORMATION

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